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August 8, 2018

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

**RE: Duke Energy Progress, LLC's Request for Approval of Revised Meter
Related Optional Programs Rider MROP
Docket No. 2018-__-E**

Dear Mrs. Boyd:

Enclosed for approval by the Public Service Commission of South Carolina is Duke Energy Progress, LLC's ("DEP's" or the "Company's") revised Meter-Related Optional Program Rider MROP. DEP is seeking to revise the Rider to offer a new voluntary program for customers desiring a non-communicating meter that will be read manually each month¹ and to restrict the availability of the TotalMeter program to current participants effective April 1, 2019.

In May of 2018, DEP began a multi-year deployment of advanced metering infrastructure ("AMI"), which includes deployment of smart meters to its customers. Smart meters give customers added information on how they use energy and provide increased convenience for customers as service connections and disconnections can be performed remotely without the need for a technician to visit their home or business. The Company anticipates the ability to provide customers with increased choices for energy delivery, billing and program offerings, along with enhanced services that are all enabled by smart meters.²

DEP understands some customers may have concerns about smart meters. Although the Company's smart metering hardware complies with all applicable safety and regulatory requirements, in response to these limited customer concerns the Company proposes to offer a

¹ The Commission approved a similar request for Duke Energy Carolinas, LLC on November 17, 2016 in Order No. 2016-791.

² On July 25, 2018, the Commission voted in Docket 2018-205-E to approve a request from DEP to defer into a regulatory asset account the incremental operating and maintenance expense and the depreciation expense incurred once AMI meters are installed, as well as the associated carrying costs on the investment and deferred costs at its weighted average cost of capital.

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voluntary service option to customers where energy usage would not be communicated via radio frequency but the meter would be manually read by a meter reader visiting the premises. Customers participating in this new service option under Rider MROP would not be able to participate in any current or future offerings enabled by smart meters. The Company proposes to limit participation under this optional service to residential customers served under Residential Service Schedule RES and nonresidential customers served under Small General Service Schedule SGS that don't require a demand meter. This option would also not be available to customers served under a net metering rider.

The Company incurs a higher cost for serving customers selecting this service; therefore, customers requesting the service will be charged an Initial Set-up Fee of \$170 and a Monthly Rate of \$14.75. The Initial Set-Up Fee recovers the incremental cost of configuring and installing the non-communicative meter, customer service to establish the manual meter reading service, meter rerouting cost and a portion of the information technology ("IT") enhancements necessary to support billing the new service. The Monthly Rate recovers the incremental cost to manually read the meter each month and the remainder of the IT programming costs. The new Manually Read Metering paragraph in the attached Rider MROP describes the proposed service option and the associated charges.

The Company will notify individual customers of the meter exchange to a smart meter prior to installation. Prior to Commission approval of this new service option, customers objecting to the use of a communicating smart meter will be temporarily bypassed. Upon Commission approval, these bypassed customers and any customers objecting to the installation of a smart meter will be advised of this new service option and its associated charges and upon the customer's agreement a communicating smart meter will not be installed. Due to the significant nature of the IT changes required in the customer billing system to effectuate this new service, charges associated with manual meter reading service will not be effective until April 1, 2019. A permanent non-communicating meter will be installed and the new charges will be billed once IT programming is complete to support billing this service.

TotalMeter is a voluntary program under Rider MROP that allows the Company's meter to be read remotely for a monthly fee. Historically, this service was desired by customers that prefer to not have Company agents on their premises each month or that desired a specific meter reading schedule. Currently, one customer is served under Option 1, that uses a customer-furnished telephone land line, and no customers are served under Option 2 that uses a Company-supplied wireless telephone communication. Option 1 was closed to new participants in October 2013 due to difficulty securing a meter capable of interfacing with the customer's land line. The Company is now seeking to close Option 2 to new participants effective April 1, 2019 in anticipation that the benefits of this service will be available at no monthly charge upon deployment of AMI smart meter technology. Restricting future availability of Option 2 will aid in the transition to AMI metering.

The Company believes that approval of the Manually Read Metering rates in Rider MROP does not require a determination of the Company's entire rate structure and overall rate of return of the Company. Accordingly, the Company respectfully requests approval of its

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request without notice or hearing, and that the provisions of S.C. Code Ann. §58-27-870(F) allow such action.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,



Heather Shirley Smith

Enclosure

cc: Dawn Hipp, Office of Regulatory Staff (via email)
Michael Seaman-Huynh, Office of Regulatory Staff (via email)
Sarah Johnson, Office of Regulatory Staff (via email)
Andrew M. Bateman, Staff Counsel (via email)

METER-RELATED OPTIONAL PROGRAMS RIDER MROP-14

AVAILABILITY

These programs are available upon request and on a voluntary basis to those customers as described below, subject to the availability of appropriate metering and meter-related equipment.

I. TOTALMETER PROGRAM

Metering equipment to allow remote automated meter reading by Company will be provided upon execution of an application for TotalMeter. The application describes the conditions of service, states all charges, and provides for a termination charge should the TotalMeter option be discontinued prior to 24 consecutive months of service. Customer receiving the TotalMeter option may select a desired meter-reading day. Monthly rates and other charges related to the TotalMeter are as follows:

Monthly Rate for TotalMeter

Option 1: Customer-supplied suitable telephone communications line ¹	\$ 3.20
Option 2: Company-supplied wireless telephone communications circuit ²	\$13.50

Charge for Customer-requested termination of TotalMeter Option prior to 24 consecutive months of service	\$50.00
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¹ Option 1 is not available to new applicants on and after October 1, 2013. Existing participants may continue under this option until such time that the metering equipment requires replacement.

² Option 2 is not available to new applicants on and after April 1, 2019. Existing participants may continue under this option until such time that the metering equipment requires replacement.

TotalMeter charges shall not apply when Company, at its option, determines that remote automated meter reading is necessary for Company's own use. Receipt of the TotalMeter option shall in no way restrict or otherwise limit Company's right of ingress and egress to read meters and inspect, maintain, repair and replace the meters and other facilities installed to serve Customer whenever necessary.

II. ENERGY PROFILER ONLINE

The Energy Profiler Online (EPO) program is available to any non-residential customer with a registered or contract demand of 30 kW or greater. EPO is an Internet-based program permitting Customer access to historic meter data from any internet-capable location. Access to meter data is both identification/name and password restricted. Monthly rates and other charges related to EPO are as follows:

Monthly Rate for EPO

Rate for totalized meter data only (updated monthly) ³	\$20.00 per totalized account
Rate for meter data per individual meter (updated each business day)	\$20.00 per meter
Set-up fee per meter	\$85.00
Set-up fee for totalized meter data only	\$85.00

³ The rate applicable for totalized meter data only is not available to new applicants on and after January 1, 2017.

Provision of EPO requires that the standard meter, as determined solely by Company based upon the Customer's electrical requirement, have the capability of recording electrical consumption information on a 15-minute interval basis. Additional monthly rates and other charges, as described in Section III below, will apply if the standard meter based upon customer's electrical requirement does not have interval data capability.

METER-RELATED OPTIONAL PROGRAMS RIDER MROP-14

III. MANUALLY READ METERING (MRM)

Customers served under either Schedule RES or Schedule SGS only, without a demand meter, may request metering that either does not utilize radio frequency communications to transmit data, or is otherwise required to be read manually, provided that such a meter is available for use by the Company. This service is not available when service is requested in conjunction with any net metering rider. At the Company's option, meters to be read manually may be either a smart meter with the radio frequency communication capability disabled or other non-communicating meter. The meter manufacturer and model chosen to service the customer's premise are at the discretion of the Company and are subject to change at the Company's option, at any time. Customers choosing this option are responsible for the payment of the rates shown below and will not be eligible for any current or future services or offerings that require the use of a smart or other communicating meter.

Monthly Rate for MRM Service:

1. Initial Set-up Fee	\$170.00
2. Monthly Rate For MRM	\$14.75
3. Early Termination Charge (Prior to 12 consecutive months of service only)	\$50.00

The contract term shall be a minimum of 12 months and may be terminated by either party with thirty (30) days written notice. The Company may refuse to provide service under this option under the following conditions: (1) the Customer has a history of meter tampering or unauthorized use of electricity at the current or any prior location, (2) provision of such service creates a safety hazard to consumers or their premises, the public or the electric utility's personnel or facilities, or (3) the customer fails to provide the Company satisfactory access to the Customer's facilities for the purpose of obtaining meter readings or maintaining its equipment.

IV. CUSTOMER REQUESTS INSTALLATION OF NON-STANDARD METERING

Company, in its sole determination, shall establish appropriate meter standards based upon Customer's electrical requirement. If a non-residential customer desires additional meter services that require the installation of a non-standard meter, Company will comply for the following monthly rate and other charges:

Monthly Rate for non-standard meter with interval data capability	\$ 0.36 per month
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The following fees apply when the non-standard meter will not be remotely read:

Meter Set-up Fee	\$13.40
Meter Exchange Fee	\$75.00

A charge shall apply if Customer requests termination prior to 24 consecutive months of operation of a non-standard meter option that provides interval data. The charge shall equal the monthly rate times the sum of 24 minus the number of months the non-standard meter service has been received, not to exceed 24 months.

METER-RELATED OPTIONAL PROGRAMS RIDER MROP-14

GENERAL

Upon appropriate notice to Customer, Company reserves the right to suspend and/or terminate any or all of these meter-related programs at any time if providing the requested program is not feasible. Company does not guarantee continuous provision of these meter-related programs but shall use reasonable diligence at all times to provide the program without interruption and having used reasonable diligence shall not be liable to Customer for damages, for failure in, or for interruptions or suspension of the same.

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission. The provisions of this Rider are subject to change upon approval of the Public Service Commission of South Carolina.